

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 416 – HB 333

February 26, 2013

SUMMARY OF ORIGINAL BILL: Requires anyone providing removal service, or who directs, supervises, or performs the transportation of human remains for a fee, to register with the Department of Commerce and Insurance. Creates a new two-year license class for individuals who provide such removal services. This license will be provided in association with the Board of Funeral Directors and Embalmers. A licensed funeral director, licensed embalmer, or a licensed funeral director or its employees are not required to be registered under this part. Creates a new Class C misdemeanor offense for anyone who provides removal service without having registered or for anyone who has falsely registered for such license.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenue - \$7,500/FY13-14/Board of Funeral Directors and Embalmers
\$2,500/FY14-15/Board of Funeral Directors and Embalmers
Increase State Expenditures - \$2,500/FY13-14/Board of Funeral Directors and Embalmers

Increase Local Revenue – Not Significant
Increase Local Expenditures – Not Significant

SUMMARY OF AMENDMENT (003653): States that the definition of “removal service” does not apply to any federal, state, or county government agency involved in the transportation of deceased human remains.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- The provisions of this bill will be effective on July 1, 2013.
- According to the Department of Commerce and Insurance, there will be one-time expenditures of \$2,500 associated with setting up this new license and rulemaking hearings (Court Reporter: \$500 + Transcript Costs: \$1,000 + Computer Set-up: \$1,000).
- According to the Department, registrants will pay \$250 for each license.

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- It is estimated that there will be 30 individuals who purchase this license in FY13-14 and 10 in FY14-15; therefore, license revenue is expected to be \$7,500 (30 x \$250) in FY13-14, \$2,500 (10 x \$250) in FY14-15.
- Pursuant to Tenn. Code Ann. § 4-3-1011 and § 4-29-121, all regulatory boards are required to be self-supporting over a two-year period. The Board of Funeral Directors and Embalmers had a closing deficit of \$102,558 in FY10-11, a closing balance of \$484,954 in FY11-12, and a closing reserve balance of \$812,674 on June 30, 2012.
- There will not be a sufficient number of prosecutions for state or local government to experience any significant increase in revenue or expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/jdb